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Relative Deprivation and Economic Beliefs: The Effects of the Recession in Alberta*

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ABSTRACT

This paper tests a theoretical model proposing that feelings of relative deprivation and political alienation play an important part in translating economic hard times into more left-leaning economic beliefs. Survey data reveal that Albertans who had been forced to cut back in expenditures because of the recession were more likely to agree with statements about the need for a redistribution of wealth in society. Financial cutbacks were also associated with greater political alienation which, in turn, was positively correlated with left-wing economic beliefs. These critical intervening effects were observed among *workers* but not among managers, technicians and professionals.

Introduction

While most North Americans do not have a class-based view of society (Alford, 1963; Lenski and Lenski, 1974), some will express a more *left* opinion than others about the way in which society is organized. A number of different theoretical approaches have been used to explain the distribution of *left-right* economic beliefs (Langford, 1990). Sometimes implicitly, less often explicitly, these approaches include personal economic hardships as potential explanatory variables. This paper develops and tests a *relative deprivation* explanation of economic beliefs which places personal economic difficulties in a more central position.

Nineteenth century attempts to explain the social upheaval accompanying the emergence of industrial capitalism frequently incorporated arguments that economic crises can lead to fundamental changes in people's beliefs and behaviours. Such an argument was central, for example, to Marx's analysis of the inherent problems of capitalism -- when workers begin to recognize the extent of their exploitation, and its origins in the capitalist mode of production, they will respond collectively to change their situation. Consequently, economic crises should increase the probability of class consciousness emerging (Baer et al., 1987:3).

Subsequent to Marx, some theorists have noted that economic crises need not necessarily shift workers to the left. Nevertheless, the belief that economic crises can provoke social unrest remains central to a number of theoretical approaches. One such approach is *relative deprivation* theory. In brief, this theoretical orientation suggests that people compare their current economic situation with the (real or imagined) situation of others, or with their own previous or anticipated future situation. The disparities revealed by such comparisons can result in a variety of responses, including social withdrawal, increased social activism, sporadic violence or outright revolution (Graham and Gurr, 1969; see also Brinton, 1938; Davies, 1962; Gurr, 1970). Implicit in this causal chain is the assumption that beliefs about inequality and about how society should be organized are affected by hard times.

However, many contemporary attempts to explain variations in economic beliefs and voting patterns largely overlook the potential effects of economic hard times. Instead, personal (e.g. age, education, occupation) and group (e.g. ethnicity; region) characteristics, along with employment situations and political socialization, are identified as key causal factors. These are obviously important components in any explanatory model. We contend that such models can be further improved by taking into account the degree to which individuals have personally encountered economic hard times.

This paper reviews Canadian research on variations in economic beliefs and on class-based voting patterns. With a few exceptions, these studies have ignored the economic experiences of individuals and families. Instead, they have either accepted (or tested) the proposition that all *workers* will think and vote as a class-based theoretical model would predict *workers* should think and vote. Such predictions, however, ignore a range of other relevant variables (Pahl and Wallace, 1988). They also (implicitly) assume that all workers are equally impoverished and exploited, which is clearly not the case.

A second research literature on the social and psychological effects of unemployment contains a few studies asking whether job loss can radicalize workers. In other words, these studies make an elementary distinction among workers, comparing those who are unemployed with those who are working. A review of this literature reveals inconsistent findings, but also highlights other factors such as political alienation which should be taken into account.

In this paper, we draw on both of these research traditions to develop a *relative deprivation* model of the sources of variation in economic beliefs. We then use survey data collected in Alberta in 1988 to test this model. The recession of the 1980s lasted well past the middle of the decade in Alberta. Consequently, by 1988, many residents of the province had been severely affected. These experiences, their effects on living standards, and the combined affects of hard times and personal/family cutbacks on political alienation and on economic beliefs, are documented in this paper.

Voting Behaviour and Economic Beliefs: Previous Canadian Research

Compared to other Western democracies, Canada exhibits particularly low levels of class-based voting (Alford, 1963; Lenski and Lenski, 1974; Clarke et al., 1979; Lambert and Hunter, 1979). Alford (1963) explained this phenomenon by suggesting that Canada's social and economic heterogeneity reduces the likelihood of Canadians voting along class lines. Subsequent studies have extended the heterogeneity thesis to account for the limited impact of age, gender, socio-economic status, ethnicity and religion (Clarke et al., 1979; Le Duc, 1984). Johnston (1987), for example, found that with the exception of region which had a modest effect, sociodemographic variables did not correlate with political attitudes. More recently, Fletcher and Forbes (1990) demonstrate that varying effects of education and occupation on support for the New Democratic Party in different regions of the country obscure evidence of class-based voting in Canada.

Consequently, some theorists have suggested that Canada's political stability rests upon an essential "dealignment" of predictive variables. To the extent that explanations for voting behaviour can be found, they "must be sought among psychological predictors or among the myriad of short-term forces" which have an impact on individuals' beliefs and behaviours (Le Duc, 1984:408). Others, however, have responded to the thesis that class consciousness (and, hence, voting behaviour) is fragmented by questioning the measurement of class position. Rinehart and Okraku (1974), for example, showed that manual workers were more likely to exhibit *working class consciousness*. Stevenson (1977) found a strong relationship between ownership of the means of production and political attitudes. Johnston and Ornstein (1985) used neo-Marxist class definitions to show that, compared to traditional measures such as occupation, education and income, class position was more clearly related to beliefs about trade unions, social welfare and the redistribution of income.

More recently, several theorists have used Ogmundson's (1975) argument that political parties in Canada lack a clearly defined class image to explain the low level of class-based

voting. Grabb and Lambert (1982), Johnston and Ornstein (1985), and Pammett (1987) have all attributed the absent class vote to the lack of distinctiveness among Canada's political parties. Baer et al. (1987:16-17) take a somewhat different approach when attempting to explain why the economic downturn of the 1970s and early 1980s failed to result in a polarization along class lines of political attitudes and economic beliefs. They suggest that the bureaucratization of unions and the expansion of the social services *safety net*, compared to the 1930s when working class unrest was much more common, may account for the relative stability in political attitudes during recent years.

Following from some of these arguments has been the observation that class-based voting is the product of an ongoing process whereby objective class position is transformed into subjective economic beliefs and, ultimately, political action: "... the conditions of everyday life, perhaps personal needs for social services, experiences while growing up, in school, and at work, and the character of family and social relations provide an experiential basis for political judgements" (Johnston and Ornstein, 1982:197). Similarly, Brym et al. (1989:40) have suggested that voting behaviours are a product of the structure of social organizations in which individuals' lives are embedded. Given the tone of these comments, it is curious that researchers have not specifically examined the effects of personal experiences of hard times on economic and political beliefs and on voting behaviour. Surely, the relative deprivation resulting from unemployment and cutbacks in one's standard of living might be among the catalysts that could lead to more left-wing beliefs and behaviours. [1]

A recent paper linking Canadian workers' social experiences with their economic beliefs comes close to developing this thesis. Langford (1990) used data from the 1982 Canadian Class Structure Study and the 1984 National Election Study to test four theoretical perspectives (labour market; labour process; housing market/home life; political socialization) on the link between class position and economic beliefs. He found qualified support for each of these perspectives but, even with a wide range of explanatory variables, still failed to account for

much of the variation in Canadians' economic beliefs.

Langford (1990:25) notes, however, that a labour market variable (years in current job) was most influential, while a second measure (recently unemployed) also had significant effects on a range of economic beliefs. He concludes that "it is the cumulative sum of workers' class and labour market experiences" which will account for variations in belief and behaviour among workers. It is our contention that experiences of economic hard times can be particularly potent. When individuals lose jobs, when they are forced to live on reduced incomes or move to make ends meet, and when they compare this new deprived state to their previous situation (or to that of others not similarly afflicted), it is then that economic beliefs may be most likely to be affected.

Unemployment and Economic/Political Beliefs: Previous Research

Much of the research on the social and psychological effects of unemployment has focused on mental health outcomes. A variety of studies have shown that the unemployed are more likely to feel depressed and powerless, and to generally exhibit a lower level of psychological well-being (Kelvin and Jarrett, 1985; Krahn et al., 1985; Grayson, 1986; Burman, 1988; Hamilton et al., 1990)

The smaller number of studies examining the effects of joblessness on economic and political beliefs clearly show that contextual (or cultural) factors play a central part. For example, Rothstein (1986) contrasted the reaction of French and American steelworkers to plant closings and layoffs. He argues that the links between French workers and major left-wing political parties, and the more coherent social vision of the French unions, resulted in a much more militant response to plant closings than was observed in the U.S.A. (1986:160-2). Thus, this study points to the importance of political and labour organizations which can mobilize the unemployed.

It is also evident that, controlling on cultural and institutional variations, not all those who lose their jobs will become more radical or militant (Marshall et al., 1988:194). Burman (1988:101), for example, reports that some of the unemployed he interviewed in London, Ontario had organized a "union" which undertook militant actions such as occupying the Mayor's office. However, he also comments that this was a small group, involving "remarkably few people" (101). In fact, some of the unemployed were critical of the members of this union, dismissing them as "angry people" (108).

Schlozman and Verba (1979) have identified some of the cognitive factors which must be present before the experience of joblessness can lead to political responses. First, unemployment must be personally perceived as problematic, as stressful and upsetting. Second, the unemployed individual must believe that the government, rather than she or he personally, is somehow responsible for the situation. Third, the jobless individual must recognize that others are similarly affected. Only if these conditions are met can unemployment lead to collective political actions. Scholzman and Verba (1979) argue that these are necessary, but not sufficient, conditions. In the U.S.A., individualistic beliefs often stand between the experience of hard times and the attribution of blame. They conclude, therefore, that the unemployed are unlikely to become militant in response to their job loss.

A study of unemployed Sheffield steel workers (Noble, 1987) showed that those out of work for a longer time were no more likely to believe in the value of unions or the necessity of collective action. Noble (1987:295-7) suggests that a typical response to unemployment is withdrawal and isolation, rather than militancy. And in line with Rothstein's (1986) emphasis on mobilizing organizations, he speculates that the British Labour party failed to provide a credible alternative vision around which these unemployed workers could unite. In fact, many of these steel workers had deserted the Labour Party for the Conservatives in 1979. Thus, it is possible that a continuing faith in the government (the British Conservatives in this case) can neutralize left-leaning tendencies among the unemployed. Put another way, the presence or absence of

political alienation may play a central part in the relationship between economic hard times and economic beliefs.

Returning to Canada, Grayson (1986) examined the reactions of Toronto workers following closure of their workplaces. His study revealed that displaced workers suffered psychologically and were less likely than those with jobs to feel that their actions were important in the political system. In other words, the unemployed reported lower feelings of political efficacy. Perhaps as a consequence, the unemployed were also no more likely than the general public to recommend radical means of implementing political and social change.

This quick review of previous research reveals some consistent findings (e.g. unemployment leads to less psychological well-being) as well as some contradictory results (e.g. unemployment may or may not result in greater political alienation). It also identifies several important components in a causal model of the relationship between hard times and left-right economic beliefs.

Relative Deprivation and Economic Beliefs

Our theoretical model draws on several of the studies reviewed above. First, we place an intervening variable - the experience of relative deprivation - between reports of hard times and espousal of left-leaning economic beliefs. The studies which did not find a relationship between unemployment and economic beliefs (or militant actions) may have failed to account for this critical linkage. In some households (those with a second income earner, for example), economic hard times may be less problematic than in others. Consequently, as Schlozman and Verba (1979) suggest, it is important to determine whether hard times have actually been stressful and dissatisfying. In our analyses below, we use an index of self-reported *cutbacks* in living standards to indicate relative deprivation. Thus, the comparison underlying responses to this question is not to others around the respondent but to a previous time when the respondent was not forced to cut back on expenditures.

Second, while research regarding the impact of unemployment on political alienation has led to inconsistent findings, it is clear that this form of alienation must be taken into account. Even if political alienation (or political efficacy) is not affected by economic hard times, it may influence economic beliefs. Hence, our model includes an index of *political alienation* (the belief that government does not care) as a function of *hard times* and *cutbacks* and as a predictor of economic beliefs.

Finally, we extend our model backwards to include exogenous control variables (occupation, education, age, and gender) which might be related to the experience of economic difficulties. Assuming we find a relationship between hard times and economic beliefs, it is always possible that some prior variable (e.g. education) might be associated with both unemployment and left-wing beliefs.

Hard Times in Alberta: The 1980s Recession

During the 1970s when oil prices were increasing, Alberta's economy boomed. Skilled workers were in short supply and unemployment rates were extremely low (ranging between 3.7% and 4.7% from 1975 to 1981). Immigrants from other provinces and other countries streamed into Alberta. Edmonton and Calgary, the two largest urban centres, expanded rapidly. While the Canadian population increased by 17% between 1971 and 1986, Calgary grew by 66% and Edmonton's population increased by 58% during this time (Burke, 1987).

But when the recession eventually hit Alberta, the economic reversal was dramatic. Unemployment rates shot up from 3.8% in 1981 to 7.7% in 1982, 10.6% in 1983 and 11.1% in 1984. They then dropped down slowly to 8.0% in 1988 (Statistics Canada, 1984; 1989). While job-seekers from Eastern Canada had flocked to Alberta in the late 1970s, a decade later Albertans were moving out. Between 1983 and 1986, Alberta experienced a net inter-provincial migration loss of almost 120,000 people (Edmonton Journal, 8 January, 1988), with well over half of these individuals moving to Ontario (Edmonton Journal, 21 March, 1988).

The recession forced all Canadians to live with hard times. But the shift from boom to bust in Alberta was more sudden and dramatic than elsewhere in Canada. In 1979, Calgary ranked third among Canadian cities and Edmonton was fifth in terms of average individual income. By 1986, Calgary was in 18th position and Edmonton had dropped to 46th in the list (Edmonton Journal, 15 December, 1988). Between 1981 and 1986, the proportion of single Albertans living in poverty increased from 26% to 31% while the proportion of families below the poverty line went up from 8.3% to 10.7% (Edmonton Journal, 27 April, 1988). Between 1978 and 1988, the average monthly welfare case load in Alberta more than doubled, from 33,365 to about 70,000 (Edmonton Journal, 11 January, 1988). Demands on urban food-banks rapidly increased, with many welfare recipients being forced to rely on charity in addition to their social assistance cheques (Edmonton Journal, 23 March, 1989).

Anecdotal accounts imply that the recession affected political attitudes in the province (Nikiforuk et al., 1987). The long and bitter Gainers' strike in Edmonton in 1986 may have led to somewhat more receptive attitudes towards unions (Lowe and Krahn, 1989). The sudden emergence of the New Democrats as the Official Opposition suggests that hard times may also have altered long-standing voting patterns. Prior to 1986, the New Democrats had one elected member in the provincial legislature. The 1986 provincial election led to 16 New Democrats taking seats in the legislature. However, this paper constitutes the first systematic assessment of the degree to which experiences of hard times may have affected economic beliefs in the province.

Research Design and Sampling

Data for this study were obtained from the 1988 Alberta Survey, the second in an annual series of province-wide public opinion surveys conducted by the Population Research Laboratory at the University of Alberta. A total of 1269 adult residents of the province, 18 years of age and older, were interviewed in this random sample survey. Interviews in the city of Edmonton were completed face-to-face, while those completed elsewhere in the province

were completed by telephone. [2] A response rate of 78% was obtained in the study.

In Edmonton, addresses were randomly selected from the most recent civic census listings and interviewers were then sent to these addresses. In the rest of the province, random digit dialing was used to generate the sample of households. Within each household, a quota system was then used to obtain an equal distribution of female and male respondents. Because Edmonton was over-sampled relative to its share of the provincial population, the final sample was weighted to reflect the proportion of the provincial population living in Edmonton, Calgary and the rest of the province. [3]

Measurement and Descriptive Results

These survey results clearly show that a significant proportion of Albertans were affected by the recession of the 1980s. A total of 23.6% reported being unemployed (for a month or more) at some point in the previous three years (Table 1). Almost one in five (17.6%) stated that someone else in their household had been unemployed during this time. About one in ten had moved into a new line of work because of economic hard times and a similar proportion reported that someone else in their household had done so for the same reason.

Almost one in three (29.8%) households had received unemployment benefits. In every fifth household, someone had taken on an extra job (Table 1). A total of 15.1% of respondents reported that they or some other household member had moved to cheaper accomodation because of the recession and 11.9% said they or a household member had moved to a new area or community to look for work. Somewhat fewer (7.7%) of the households had received welfare assistance while only 1.7% had resorted to reliance on food banks. Given the stigma attached to welfare and food bank assistance, these two percentages may be underestimates of the real extent of the problem.

Male respondents were more likely than female sample members to report personal unemployment or a move to a new line of work (Table 1), reflecting the fact that the *male* blue

Table 1: Primary and Secondary Effects of Recession (in the past three years) by Gender and Age, Alberta, 1988.

	Per Cent Affected						
		Gender		Age			
Primary Effects	Total	Female	Male	18-35	36-50	51-65	66 +
1. Respondent unemployed for up to a month	23.6	21.0	26.4	33.3	18.6	13.2	1.2
2. Respondent moved into new line of work	11.9	9.0	15.1	16.0	12.3	4.7	-
3. Others in hh. unemployed for up to a month	17.6	16.8	18.5	22.0	17.1	12.5	4.1
4. Others in hh. moved into new line of work	9.6	8.8	10.4	12.1	7.8	9.9	-
5. R. or others received unemployment insurance	29.8	28.8	30.9	38.7	26.4	21.7	2.7
6. R. or others took on extra job to add to hh. income	20.3	19.7	20.9	25.6	22.2	10.5	1.3
7. R. or others moved to cheaper accomodation	15.1	14.3	16.0	21.0	11.8	7.4	6.3
8. R. or other moved to new area/community for work	11.9	11.5	12.4	18.4	8.5	2.2	3.1
9. R. or others received welfare assistance	7.7	8.1	7.3	10.6	7.4	3.2	0.6
10. R. or others received food from a food bank	1.7	2.0	1.5	2.1	2.0	0.7	0.8
Secondary Effects							
1. Cut back on eating out/ other entertainment	45.1	48.2	41.8	49.8	48.7	37.3	21.7
2. Cut back on vacations	44.4	46.1	51.9	48.0	48.3	42.0	18.9
3. Cut back on furniture purchases	42.7	45.3	39.8	47.4	48.8	34.0	13.8
4. Cut back on home improvements or renovations	40.5	45.5	35.1	39.5	49.2	42.3	16.3
(N)	(1269)	(659)	(610)	(624)	(334)	(188)	(112)

collar sectors (construction and the oil industry) were hardest hit by the recession. However, for questions asking about household experiences, gender differences were of little consequence, as one would expect.

Age differences were much more pronounced, with the youngest respondents reporting the most widespread experience of hard times (Table 1). One third of 18 to 35 year old respondents had been unemployed at some point in the previous three years, compared to 18.6% of 36 to 50 year olds, 13.2% of 51-65 year olds and only 1.2% of those over 65 at the time of the survey. The same age pattern is observed for each of the other primary effects of the recession documented in Table 1.

Measures of relative deprivation were obtained by asking sample members whether they (and other family members) had cut back on expenditures in four different areas at any point in the previous three years. Between 40% and 50% of the sample members reported cutbacks in eating out/entertainment, vacations, furniture purchases, and home improvements or renovations (Table 1). [4] While men were somewhat more likely to admit vacation cutbacks, a higher proportion of women reported that they (and their families) had cut back on expenditures in the other three areas. These gender differences probably reflect the fact that women are more often involved in decisions about eating out (rather than cooking at home), furniture purchases and home improvements. Although the effects of age on secondary effects are not as pronounced as for primary effects, we still observe older respondents reporting fewer cutbacks in the previous three years.

An index of *primary effects* was constructed by assigning a score of "1" for each primary effect experienced and then summing across the ten component variables. This positively skewed variable (with a range of zero to ten) was then recoded by setting scores of five through ten to four. The final *primary effects* index had the following distribution: no effects (41.9%); one effect (18.7%); two effects (14.0%); three effects (10.8%); four or more effects (14.5%).

In order to measure relative deprivation, an index of *secondary effects* was constructed by adding the number of expenditure cutbacks reported. This index had a much more rectangular distribution: no effects (36.6%); one effect (12.2%); two effects (14.ð%); three effects (15.2%); four effects (21.5%). [5]

Responses on a-seven-point "strongly disagree - strongly agree" scale to two statements about the distribution of wealth in the country were averaged to form an index of *left-right economic beliefs*. A total of 71.0% of the respondents agreed (answers of 5, 6 and 7) that "people with high incomes should pay a greater share of the taxes than they do now". About one in five (19.4%) disagreed (scores of 1, 2 and 3), while 9.6% chose the neutral response. A somewhat smaller majority (60.8%) agreed that "the difference between the rich and poor is too great in Canada", 22.7% disagreed and 16.5% neither agreed or disagreed. [6] Responses to these two statements were positively correlated (r = .305), justifying the creation of the two-item index.

Sample members responded to a pair of statements about political alienation using the same seven-point scale. More than six out of ten (61.5%) agreed that "I don't think the federal government cares much about what people like me think., 22.8% disagreed and 15.7% chose the neutral response. The distribution of responses to a similar statement about the Alberta government was similar (56.6% agreed, 24.3% disagreed and 19.1% were neutral). Given the correlation of .783 between these two items, they were averaged to form a *political alienation* index. [7] This index was moderately correlated (r = .31) with the "economic beliefs" index.

Several other critical control variables appear in the following multi-variate analyses of the effects of hard times on political alienation and economic beliefs. Respondents' (present or most recent) occupations were coded according to the revised Pineo-Porter-McRoberts classification system which ranks occupations from farm labourers up through unskilled, semi-skilled, and skilled occupations, to technicians, semi-professionals, and professionals

(Pineo, 1985). [9] Age and completed education (both in years), and gender (males = 1; females = 0) are the other three exogenous variables used in the following path analyses. [9]

Multi-Variate Results

Table 2 shows the net effects of these independent variables, including the political alienation, primary and secondary effect indices, on the economic beliefs index. Multiple regression equations are displayed for the total sample, and for separate samples of *workers* and *non-workers*. Respondents in categories 1 to 8 in the 16-category occupational typology were placed in the former category. Thus, *workers* include unskilled and semi-skilled manual, clerical, sales and service workers, skilled trades, skilled clerical, sales and service workers, farm labourers and farmers. *Non-workers* (categories 9 through 16) include supervisors and forewomen/men, middle and high level management, technicians, semi-professionals, and professionals (both employed and self-employed). [10]

Considering first the total sample, we see a substantial positive net effect of political alienation on left-right economic beliefs (Beta = .267). Secondary effects of the recession are positively related to economic beliefs (Beta = .146). The primary effects index has only a negligible, non-significant effect on economic beliefs, as do gender and educational attainment. However, position in the occupational hierarchy is significantly and negatively associated with the dependent variable (Beta = -.116), while age has a significant positive effect (Beta = .176).

Thus, controlling on other variables in the equation, we observe that those more alienated from the political process, and those who were forced to cut back further in expenditures due to the recession, are more likely to agree with statements calling for a more equitable distribution of wealth in Canada. But direct experiences of the recession (primary effects) do not have a net effect on economic beliefs. [11] In other words, hard times themselves do not appear to affect economic beliefs. However, experiences of relative deprivation (cutting back in expenditures compared to an earlier time) are associated with more left-leaning

Table 2: Determinants of Left-Right Economic Beliefs, Alberta, 1988: Multiple Regression Equations for Total Sample, "Workers" and "Non-workers". #

Independent variable	Total Sample @		"Workers" only		"Non-workers" only	
Political alienation index	.267	*	.260	*	.255	*
	.245		.230		.246	
	(.026)		(.031)		(.044)	
Secondary effects index	.146	*	.192	*	.076	
	.285		.349		.160	
	(.057)		(.066)		(.106)	
Primary effects index	.032		.014		.045	
	.066		.026		.108	
	(.065)		(.076)		(.121)	
Occupation (Pineo scale)	-.116	*	-.033		-.037	
	-.088		-.048		-.059	
	(.026)		(.053)		(.091)	
Age (years)	.176	*	.215	*	.120	*
	.037		.041		.030	
	(.006)		(.008)		(.012)	
Gender (male = 1; female = 0)	-.011		.063		-.111	*
	-.069		.367		-.732	
	(.171)		(.203)		(.314)	
Education (years completed)	-.007		-.025		.012	
	-.006		-.029		.020	
	(.034)		(.044)		(.058)	
[Constant]	6.529		6.396		6.511	
R-squared	.156		.182		.102	
N	1145		700		445	

Categories 1 to 8 in Pineo's (1985) 16-category classification are included as "workers"; categories 9 through 16 are labelled "non-workers". See further discussion in text of paper.

@ The first entry in each cell is the standardized regression coefficient (Beta), the second is the unstandardized coefficient (b) and the third is the standard error of the coefficient (s.e.).

* Coefficient is statistically significant ($p < .05$).

economic beliefs, as are feelings of political alienation. [12]

The negative net effects of occupation on the dependent variable are as expected: those higher in the occupational (and income) hierarchy would be less likely to insist on a redistribution of income. But the positive effect of age is somewhat curious. [13] Part of the explanation may lie in the fact that farmers (and other rural residents) are somewhat older than the provincial average. Rural residents of western Canada have been and remain more receptive to populist political and economic ideas (of both the right and left wing variety) which would be in line with these statements about the redistribution of wealth. Thus, the age effect may be picking up some of these rural populist sentiments.

Much of the previous research on sources of variation in economic beliefs has been restricted to analyses of differences within the *working class*. Consequently, separation of the total sample into *workers* and *non-workers* (Table 2; columns 2 and 3) allows a comparison to this research literature. However, comparisons of *workers* with managers, technicians, and professionals are also of immediate interest, since one might expect somewhat different patterns of relationships among the key variables in our theoretical model.

Table 2 reveals that the effects of political alienation on economic beliefs are almost identical in the two sub-samples. As in the total sample equation, primary effects of the recession do not affect beliefs about redistribution of wealth. The direct effects of occupation are now of little consequence since much of the variation in this measure has been removed by splitting the sample into lower and higher status occupational groups. Educational attainment is again not significantly associated with the dependent variable.

However, there are some important differences in the multiple regression equations for the two sub-samples (Table 2). The effects of expenditure cutbacks (secondary effects) are weak and non-significant among *non-workers* (b = .160). Among *workers* the effects are more than twice as strong (b = .349). The difference between these two slopes is itself statistically

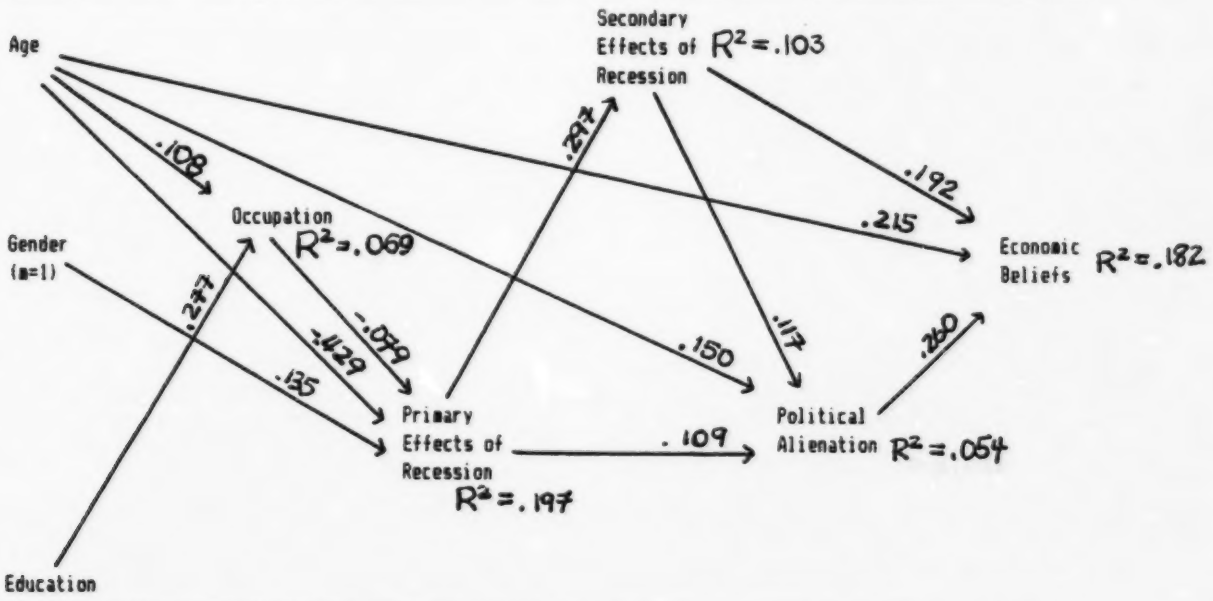
signficant (t = 1.51; p < .10). Thus, we find evidence that feelings of relative deprivation (cutbacks) brought on by the recession are associated with more left-wing economic beliefs for *workers*, but not for those higher in the occupational hierarchy.

The positive effects of age on economic beliefs are stronger among *workers* (b = .041) than among managers, technicians and professionals (b = .030), but the difference between these two slopes is not significant. Table 2 also shows a positive, non-significant effect of gender on economic beliefs among *workers* (b = .367) alongside a negative, significant effect (b = -.111) for *non-workers*. This difference between slopes is significant (t = 2.25; p < .01). Thus we find that, among *workers*, gender does not appear to influence economic beliefs. But among managers, technicians and professionals, we find that men are less likely to agree with these left-wing sentiments. This gender difference may reflect the continued pattern of male over-representation in higher status (and higher-paying) occupations. Women in lower paying jobs might be more inclined to call for a redistribution of wealth. But this explanation still begs the question of why the same gender difference is not observed among *workers*, where women also tend to be paid considerably less than men.

The multiple regression equations in Table 2 allow us to examine the net effects of the different explanatory variables on economic beliefs. However, we have also speculated about the role of intervening variables in the causal linkage between hard times and economic beliefs. Figures 1 and 2 display path analyses testing our basic causal model for *workers* and *non-workers*. While all of the variables shown in these path models were included in the four multiple regression analyses used to calculate the path coefficients, only statistically significant (p < .05) coefficients are shown. The path coefficients for variables directly affecting economic beliefs are, of course, the same (standardized) coefficients appearing in columns 2 and 3 of Table 2.

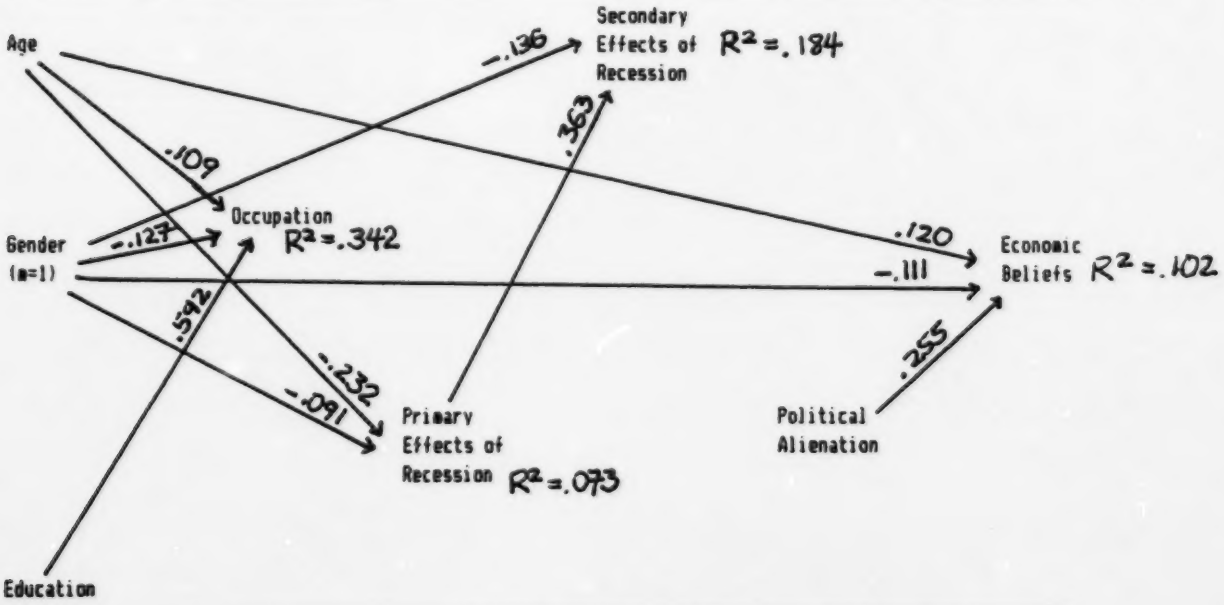
Figure 1 reveals that older Alberta *workers* were much less likely to be directly affected by the recession (P = -.429). As shown in Table 1, it was younger Albertans who were most

Figure 1: Recession Experiences and Other Determinants of Left-Right Economic Beliefs; Alberta, 1988: 'Workers' Only. #



See Table 2; only statistically significant ($p < .05$) paths shown; N = 700.

Figure 2: Recession Experiences and Other Determinants of Left-Right Economic Beliefs; Alberta, 1988: 'Non-Workers' Only. #



See Table 2; only statistically significant ($p < .05$) paths shown; N = 445.

likely to encounter hard times in the mid-1980s. Among *workers*, males were more directly affected (P = .135), while those with higher (semi-skilled and skilled) occupational credentials were somewhat less likely to have encountered the hard times measured by our *primary effects* index (P = -.079). The experience of hard times, in turn, led to more cutbacks (secondary effects) in personal and household expenditures (P = .297). None of the other exogenous variables in our model had a significant direct effect on this measure of relative deprivation.

Among *workers*, older respondents express more political alienation (P = .150). However, Figure 1 also demonstrates that political alienation is intensified by having encountered the primary effects of the recession (P = .109), and by having experienced cutbacks or secondary effects (P = .117). Since the cutbacks index is a function of the primary effects index, it is apparent that political alienation in Alberta in 1988 was affected both directly and indirectly (through cutbacks) by the personal experience of hard times.

How do primary and secondary experiences of the recession, along with political alienation, affect economic beliefs? Our path analysis shows that personal experiences of hard times do not directly affect beliefs about the need for a redistribution of wealth in society (Figure 1). Instead, personal hard times increase the probability of forced expenditure cutbacks which, in turn, are positively associated with left-wing economic beliefs (P = .192). Figure 1 also shows that hard times can lead to more political alienation (P = .109) which itself has a substantial impact on economic beliefs (P = .260). Thus, among Alberta "workers" we observe that it is the feelings of relative deprivation and political alienation brought on by unemployment and other labour market problems which influence economic beliefs. Without taking these intervening variables into account, the effects of hard times would not be observed.

Figure 2 presents a similar path analysis for the somewhat smaller sub-sample of *non-workers*. Here we find no significant direct or indirect effects of the experience of hard times on economic beliefs. Political alienation continues to influence economic beliefs (P =

.255), but neither the primary or secondary effects indices had a significant effect on the measure of political alienation. Among *non-workers*, we observe a substantial positive effect (P = .363) of direct hard times on cutbacks. However, to restate the point, neither hard times nor the feelings of relative deprivation (cutbacks) brought on by direct recession experiences appear to translate into more left-wing economic beliefs among managers, technicians and professionals (Figure 2). [14]

Conclusion

This paper contributes to debates about sources of variation in economic beliefs by focusing specifically on the role and impact of relative deprivation. Our theoretical model places personal feelings of financial deprivation into a central position between experiences of hard times and beliefs about the equitable redistribution of income within society. In addition, political alienation is incorporated into the model as a potential response to economic difficulties and as a possible influence on economic beliefs.

The Alberta recession in the 1980s provided a particularly good test case for this model of variations in left-wing economic beliefs. For those Albertans who remained in the province during this period, the boom years of 1976 to 1981 constituted a bitterly remembered counterpoint to the economic deprivation that followed. The resulting *distance* between expectations of wealth and prosperity, and the reality of economic hard times, provides an excellent measure of relative deprivation.

These survey results demonstrate the value of this theoretical model. Albertans who had been forced to cut back in expenditures and lifestyle because of the recession were more likely to admit to left-leaning economic beliefs, compared to those who had experienced less relative deprivation. In addition, cutbacks brought on by the recession increased the probability of political alienation which was itself associated with more left-wing economic beliefs.

At the same time, our analyses provide some support for previous class-based explanations of economic beliefs. While relative deprivation plays an important part in our explanation of variation in economic beliefs among *workers* it does not have the same effect among *non-workers*. Specifically, the economic and political beliefs of managers, technicians and professionals appear to be relatively unaffected by personal hard times. Thus, there are important class-based differences in the way in which individuals experience a recession.

These differences need to be explored more fully in further research. Why is it that the economic beliefs of *non-workers* are more resistant to the experience of hard times? Were these higher status individuals less affected, in absolute terms, by the recession of the 1980s? Or does social status play a part by making economic beliefs more resilient? In other words, do those higher in the class hierarchy cling more strongly to economic beliefs which justify their advantaged position, even in the face of hard times which might make that position less secure?

These survey results also illuminate several other unanswered questions. Our data suggest that the experience of hard times can intensify political alienation and affect economic beliefs. Are such changes relatively permanent or largely temporary? Do workers' economic beliefs shift to the left when they experience relative deprivation, and then back again after regaining some degree of financial security? Or can a personal encounter with a recession permanently radicalize a worker? Put another way, does class consciousness increase and decline with economic cycles?

Our data cannot address the important question of how political parties, unions and other political organizations might mobilize the discontent growing out of a recession. Further research on this topic, following along the lines suggested by some of the other studies reviewed in this paper, is clearly needed. In addition, the Alberta case begs a further study of the effects of economic hard times, relative deprivation, and political alienation on voting behaviour. Alberta has shown a decided swing to the left in provincial voting behaviour since 1986 with the election of a sizeable New Democrat opposition. The province has also swung to

the right in the federal arena since 1988 with the rapid emergence of the Reform party. It is quite possible that both of these patterns are part of a collective reaction to the recession of the mid-80s. More detailed studies linking voting behaviour to the personal experience of hard times could usefully extend our relative deprivation model beyond beliefs into the realm of actions.

NOTES:

1. Baer et al. (1987:3) propose a similar hypothesis, namely, that "economic deprivation could provide a basis for ideological dissensus and potential political conflict between classes". However, their analysis compared the effects of class position on political and economic beliefs at different time points, to see if a polarization of beliefs would emerge as the recession deepened. Thus, they too implicitly assume that all workers would be equally affected by the recession.

2. This research design was used to maintain continuity with the Edmonton Area Study which has been completed annually (face-to-face) in the city since 1977.

3. For more information on the research design, sampling and data collection in this study, see Kinzel and Adebayo (1988).

4. Respondents were also asked about cutbacks in use of medical, dental and optometrist services. Since these services are part of fringe benefit packages for some but not all employees, cutbacks in this area are obviously a function of employment situations. Hence, cutbacks in these medical services are not significantly correlated with the other four measures of deprivation, and are omitted from our analyses.

5. Sample members were also asked whether they (and their family) were "better off, worse off, or just the same financially" compared to a year earlier. Responses to this more direct relative deprivation question were positively correlated (r = .159) with the *secondary effects* index. But since the timeframe for most of the variables used in this analysis was three years while the "better/worse off" question asked only about the previous year, it was not employed in this study. The relatively low correlation between this variable and the secondary effects index may also be a function of this different timeframe.

6. Both of these statements were previously used in the 1984 National Election Study.

7. The high correlation between these two items suggests that this index is a measure of generalized political alienation rather than *western alienation*, that is, the belief that the western provinces are being systematically ignored by central Canada. Like the two economic belief items, the question about the federal government was also repeated from the 1984 National Election Study.

8. A small number (n = 39; 3% of the total sample) of respondents did not report any occupational identity (e.g. women who had never worked outside of the home) and so were omitted from the multivariate analyses.

9. The success of the New Democrats in the 1986 provincial election was based primarily on seats won in Edmonton. Hence, *city of residence* might be an important control variable. However, additional analyses incorporating a binary location variable (Edmonton = 1) failed to uncover any evidence of a *city effect* on either political alienation or economic beliefs.

10. Farmers appear sixth from the bottom in Pineo's (1985) occupational typology. However, many farmers are owner-operators and should, perhaps, be included among the *non-workers* in this study. Additional analyses with farmers (n = 64) placed into the *non-worker* group did not change the results in any important way (the effects of age shifted somewhat since farmers tend to be older).

11. The bivariate correlation between the primary effects and the economic belief indices was also small and non-significant (r = .044).

12. Additional analyses were undertaken to check for several possible interaction effects. Separate analyses for those reporting no, some, and many (3 or more) primary effects did not reveal any important differences in the pattern of results. Inclusion of an interaction term (primary x secondary effects) in the regression equations also failed to alter the basic findings.

13. The bivariate correlation was somewhat weaker (r = .158) but still positive and statistically significant.

14. There are several other interesting differences between Figures 1 and 2 which do not directly relate to our concerns in this paper. As one would expect in a labour market where educational credentials play a central role, the impact of education on occupational status was much stronger among managers, technicians and professionals. Also, among these *non-workers*, women were more likely to have directly encountered hard times (the primary effects index), reversing the pattern observed among *workers*.

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